APPENDIX

Revenue Act of 1934, c. 277, 48 Stat. 680:

SUPPLEMENT G—INSURANCE COMPANIES

SEC. 201. TAX ON LIFE INSURANCE COMPANIES.

(a) *Definition.*—When used in this title the term "life insurance company" means an insurance company engaged in the business of issuing life insurance and annuity contracts (including contracts of combined life, health, and accident insurance), the reserve funds of which held for the fulfillment of such contracts comprise more than 50 per centum of its total reserve funds.

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SEC. 202. GROSS INCOME OF LIFE INSURANCE COMPANIES.

(a) In the case of a life insurance company the term "gross income" means the gross amount of income received during the taxable year from interest, dividends, and rents.

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SEC. 203. NET INCOME OF LIFE INSURANCE COMPANIES.

(a) *General Rule.*—In the case of a life insurance company the term "net income" means the gross income less—

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(2) *Reserve Funds.*—An amount equal to 4 per centum of the mean of the reserve funds required by law and held at the beginning and end of the taxable year, except that in the case of any such reserve fund

which is computed at a lower interest assumption rate, the rate of 3¾ per centum shall be substituted for 4 per centum. Life insurance companies issuing policies covering life, health, and accident insurance combined in one policy issued on the weekly premium payment plan, continuing for life and not subject to cancellation, shall be allowed, in addition to the above, a deduction of 3¾ per centum of the mean of such reserve funds (not required by law) held at the beginning and end of the taxable year, as the Commissioner finds to be necessary for the protection of the holders of such policies only;

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SEC. 204. INSURANCE COMPANIES OTHER THAN LIFE OR MUTUAL.

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(b) *Definition of Income, Etc.*—In the case of an insurance company subject to the tax imposed by this section—

(1) *Gross Income.*—"Gross income" means the sum of (A) the combined gross amount earned during the taxable year, from investment income and from underwriting income as provided in this subsection, computed on the basis of the underwriting and investment exhibit of the annual statement approved by the National Convention of Insurance Commissioners, and (B) gain during the taxable year from the sale or other disposition of property, and (C) all other items constituting gross income under section 22;

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The corresponding provisions of the Revenue Act of 1936, c. 690, 49 Stat. 1648, are substantially identical with those of the 1934 Act above quoted.

Revised Statutes of Missouri, 1929, Vol. I:

CHAPTER 37.—INSURANCE

ARTICLE I.—INSURANCE DEPARTMENT

SEC. 5670. *Insurance department, general powers of.*—The insurance department shall be charged with the execution of all laws now in force, or which may be hereafter enacted, in relation to insurance and insurance companies doing business in this state. (R. S. 1919, § 6082.)

SEC. 5671. *Superintendent of insurance.*—The chief officer of said department shall be designated as the superintendent of the insurance department. * * *

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SEC. 5680. *General duties of superintendent.*—It shall be the duty of the superintendent of the insurance department to file in his office and safely keep all books and papers required by law to be filed therein, to issue certificates of authority to transact insurance business in this state to any companies who have fully complied with the laws of this state, and to issue such other certificates as are required by the laws of this state in the organization of insurance companies and the transaction of the business of insurance, and generally to do and perform with justice and impartiality all such duties as are or may be imposed upon him by the laws regulating the business of insurance in this state; and every superintendent shall, upon retiring from office, deliver to his qualified successor the possession of his office, and all furniture, papers, and property belonging to the same. (R. S. 1919, § 6091.)

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SEC. 5684. *Examination of companies.*—The superintendent of the insurance department shall examine and inquire into all violations of the insurance laws of the state, and examine the financial condition, affairs, and management of any insurance company incorporated by or doing business in this state, and inquire into and investigate the business of insurance transacted in this state, and require any company, its officers, agents, employes or attorneys, or other persons, to produce and may examine all its assets, contracts, books and papers; may compel the attendance before him, and may examine, under oath, its directors, officers, agents, employes, solicitors, attorneys, or any other person, in reference to its condition, affairs, management or business, or any matter relating thereto; may administer oaths or affirmations, and shall have power to summon and compel the attendance of witnesses, and to require and compel the production of records, books, papers, contracts or other documents by attachment, if necessary; and shall have the right to punish for contempt, by fine or imprisonment, or both, any person failing or refusing to obey any such summons or order of said superintendent. * * *

ARTICLE 4.—INSURANCE ON THE STIPULATED PREMIUM PLAN

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SEC. 5762. *Corporations subject to this article—definition of stipulated premium company.*—Any corporation, company or association issuing policies or certificates promising money or other benefits to a member or policyholder, or upon his decease, to his legal representatives, or to beneficiaries designated by him, which money or benefit is derived from stipulated

premiums collected in advance from its members or policyholders, and from interest and other accumulations and wherein the money or other benefits so realized is applied to or accumulated solely for the use and purposes of the corporation as herein specified, and for the necessary expenses of the corporation, and the prosecution and enlargement of its business, and which shall comply with all the provisions of this article, shall be deemed to be engaged in the business of life insurance upon the stipulated premium plan and shall be subject only to the provisions of this article, except that the provisions of sections 5684 and 5685, Revised Statutes 1929, shall be applicable. It shall be unlawful for any corporation, company or association not having complied with the provisions of this article to use the term stipulated premium in its application or contracts, or to print or write the same in its policies or literature. (R. S. 1919, § 6172.)

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SEC. 5778. *Annual report.*—The annual business of each and every corporation, company or association transacting business under the provisions of this article shall close on the 31st day of December of each year, and it shall, within sixty days thereafter, prepare and file in the office of the superintendent or other officer having supervision of insurance matters, a detailed statement, made upon blanks furnished by the insurance department, and verified under oath by the president and secretary of the company or association, giving all information in detail that the insurance department may require, so that its true financial condition may be known. (R. S. 1919, § 6188.)

U. S. GOVERNMENT PRINTING OFFICE: 1942